

6. Labor Peace Committee – In the interest of labor peace, and in recognition of the relationship between the New York City Real Estate Industry and the Union, the Union President, or his designee, and the RAB President, or his designee, and such other persons as they may mutually designate (including representatives of any interested employers) shall convene on a quarterly basis, or at the request of either President, to discuss any labor disputes, of which they are aware, with Employers. Both parties shall use their best efforts to notify the other party of such disputes in order to provide an adequate opportunity to seek to resolve such disputes.

ARTICLE IX
Signatory Buildings
Multi Employer Bargaining

This Agreement may be adopted by any apartment building in New York, at any time on or before June 30, 2006, by filing with the Union through the RAB its written assent to this agreement, except that the Union may refuse any assent if the building is already bound by reason of an existing agreement with the Union.

1. If there is a bona fide sale or other transfer of title of any member building, or a change of

control through a lease, or in the case of a noncorporate ownership, if any person or persons completely divest themselves of ownership or control by any arrangement, the successors in ownership or control may, unless they have otherwise indicated their intention not to be bound by this agreement, join the RAB and adopt the contract within forty-five (45) days after such acquisition, provided:

(a) The building is not already bound by another agreement.

(b) Written notice is given to the Union within five (5) days after joining the RAB. Notice shall be given by hand delivery or postmarked not later than the fifth business day.

(c) If the building was covered by any agreement, (1) during such period there is no layoff or change in wages, hours, terms or conditions of employment therein; (2) the new owner or transferee recognizes employee seniority and vacation status; (3) all obligations to employees, and those pursuant to the Health, Pension, Training, Legal and/or SRSP Funds, are fully paid up to the transfer date; and (4) provision is made to pay retroactively any wage underpayments resulting from the building's improper classification under Article XIV. Any adoption by the Employer shall be deemed to be effective on the date of sale.

(d) A building being converted to cooperative or condominium ownership shall be treated as a newly acquired building upon the effective date of the declaration of the cooperative or condominium plan or transfer of title, or upon the transfer of shares to the first cooperative owners or the sale of first condominium unit, whichever is later.

(e) Any Employer signatory to an agreement with the Union other than this Agreement shall remain bound to the terms of that agreement until its expiration date. If such Employer joins the RAB it may adopt the RAB contract and be fully covered by the terms of the RAB Agreement after expiration of its other agreement and before execution of a new contract provided:

(1) Notice in writing is given to the Union of such adoption prior to the expiration of the other contract,

(2) Such Employer is not in default under the other contract, and

(3) The RAB approves such membership.

2. With respect to newly organized, newly constructed buildings, or remodeled buildings that are tenant occupied, the Employer shall have forty-five (45) days to file a commitment to this Agreement after the Union serves a representation notice on the Employer with a

showing of majority status of the existing employees, with a copy to the RAB.

Where the time limits provided for in this Article are not complied with, this Agreement shall not be applicable to such building unless the Union agrees to same in writing.

3. This Article notwithstanding, the Union may refuse to accept any building: (a) until it represents a majority of the building service employees; (b) where contributions for Pension, Health, Legal, Training and SRSP Funds are in default for three (3) months or more from the date payment was due; (c) where an award of the Arbitrator has not been complied with; (d) the Employer is in violation of an existing labor agreement with the Service Employees International Union elsewhere in the City of New York; or (e) where during the term of this or the preceding Collective Bargaining Agreement, the Employer has taken a building whose employees are represented by the Union and in which building it has not retained the employees and/or existing conditions of employment. The right of refusal shall not be exercised in order to require the building to become a party to any other agreement. Before so refusing any building or taking any further action, the Union shall notify the RAB in writing.

The Union shall not refuse or reject an assent to this Agreement pursuant to any provisions of this Article unless and until the President of the Union or his designee and the President of the RAB or his designee have conferred in an effort to resolve any concerns with respect to the pending assent.

4. In the event an Employer intends to terminate his employer-employee relationship under this Agreement, then the Employer shall give the Union and the RAB reasonable written notice prior to the effective date thereof and upon the request of the Union, the Employer shall meet with the Union to negotiate the impact of such termination upon the employees involved. The obligation to negotiate shall be subject to arbitration but failure to agree on the impact shall not be subject to arbitration.

In the event of a change of Employer in a building, the RAB shall use its best efforts to have the succeeding Employer join the RAB and become bound by the terms of this Agreement.

The RAB shall also use its best efforts to encourage all its members who are signatory to this Agreement to adopt this Agreement for each of their buildings located within the City of New York (except for the Bronx).

In the event an Employer terminates an employee or employees because of a change in

ownership, operation, or control of a building or buildings, and such employee(s) are not offered employment or are not employed by the succeeding Employer in the building or buildings at the then existing wages, hours and working conditions, the terminated employee(s) shall receive severance pay in the amount of six (6) months' pay, in addition to any other accrued payments due under this Agreement.

Nothing herein contained shall be deemed to limit or diminish in any way the Union's right to enforce this Agreement against any transferee pursuant to applicable law concerning rules of successorship or otherwise; nor limit or diminish in any way the Union's or any employee's right to institute proceedings pursuant to the provisions of State or Federal labor relations laws, or any statutes or rules which may be applicable.

5. In the event that the Union enters into a contract, or contracts, or enters into renewals or modifications of a contract, or contracts with any Employer(s) covering apartment buildings which contain new or revised economic terms or other conditions which are effective on or after April 21, 2006, which economic terms or conditions are more favorable to such Employer(s) than the terms contained in this Agreement, the RAB and all its member buildings shall be entitled to and may have the full benefit of any and all of such more

favorable terms, upon notification to the Union. This provision may be waived in writing for good cause shown by the President of the RAB or his designee and the President of the Union or his designee.

Upon request of the President of the RAB, the Union shall provide copies of any agreements outside of Brooklyn, Manhattan, Staten Island or Queens that are more favorable to the Employer than the terms of this Agreement.

In buildings where wage rates under the category of "others" prior to April 21, 2006, were lower than those provided for in the 2003 Apartment Building Agreement, wage increases agreed to by the Union and the Employers covering said buildings on or after April 21, 2006 shall not be construed as "more favorable" within the meaning of this Article unless the percentage increase in wages of "others" category is lower than that provided for in this Agreement. This provision shall not apply to:

- (a) Newly organized buildings during their first contract period;
- (b) Buildings in bankruptcy;
- (c) Buildings in receivership;
- (d) Employees who are solely and exclusively security guards;

(e) One person buildings; and

(f) Hardship buildings granted relief in accordance with the terms of this Agreement.

(g) Buildings located outside of Brooklyn, Queens, Manhattan and Staten Island.

The Union shall furnish the RAB a list of present agreements which are more favorable to the Employer than this Agreement.

Any Employer claiming financial hardship in operating a building may request a hearing before a Special Committee consisting of the President of the Union or his designee and the President of the RAB or his designee. At such hearing, the Employer shall present proof of financial hardship, including, without limitation, financial statements. The Committee may grant or deny in whole or in part relief from the provisions of this contract. This provision shall not be subject to grievance and arbitration.

**ARTICLE X
Health, Pension, Training, Legal
and SRSP Funds**

A. HEALTH FUND

1. The Employer agrees to make payments into a health trust fund, known as the "Building Service 32BJ Health Fund," to cover employees covered by this agreement who

work more than two (2) days in each workweek, including such employees of other Employers in or connected with the industry for whom contributions are paid, with health benefits under such provisions, rules and regulations as may be determined by the Trustees of the Fund, as provided in the Agreement and Declaration of Trust; provided, however, that the Employer may, by making the required payments into the Fund, cover such other of his employees as he may elect, and provided such coverage is in compliance with law and the Trust Agreement.

Employees who are on workers' compensation or who are receiving disability benefits or disability pension shall be covered by the Health Fund until they may be covered by Medicare or thirty (30) months from the date of disability whichever is earlier, without the necessity of payment by the Employer.

In no event shall any employee who was previously covered for Health Benefits lose such coverage as a result of a change in this provision and the Employer shall be obligated to make contributions for such employees.

2. The Employer shall continue to contribute to the Fund \$9,750.64 per year for each employee, payable when and how the Trustees determine, to cover employees and their dependent families with health benefits as

agreed by the collective bargaining parties, and under such provisions, rules and regulations as may be determined by the Trustees.

Effective January 1, 2007 the rate of contribution to the Fund shall be increased to \$10,790.64 per employee per year.

The President of the Union and the President of the RAB may determine, in their discretion, prior to the beginning of the contract year beginning January 1, 2007, to divert any portion of the scheduled increases in the annual rate of Employer Health Fund contributions to the Training Fund and/or the Legal Fund

3. Except as qualified by Article III, Section 3 of this agreement with respect to group life insurance, any Employer who has a plan in effect prior to the effective date of this agreement which provides health benefits, the equivalent of, or better than, the benefits provided for herein, and the cost of which to the Employer is at least as great, may cover his employees under its existing plan or under this Fund. If the Trustees decide the existing plan does not provide equivalent benefits, but does provide health benefits superior to one or more types of health benefits under this Fund, the Employer may participate in the Fund wholly, or partially for hospitalization and/or surgical coverage, and make his payments to the Fund in the amount determined by the Trustees

uniformly for all similarly participating Employers.

If any future applicable legislation is enacted there shall be no duplication or cumulation of coverage and the parties will negotiate such changes as may be required by law.

4. If during the term of this Agreement, the Trustees find the payment provided herein is insufficient to maintain benefits, and adequate reserves for such benefits, they shall require the parties to increase the amounts needed to maintain such benefits and reserves subject to Article X, Section F (4). In the event the Trustees are unable to reach agreement on the amount required to maintain benefits and reserves, the matter shall be referred to arbitration.

B. PENSION FUND

1. The Building Service 32B-J Pension Fund shall continue in force and effect in accordance with its provisions, which include the power of its Trustees to revise the amounts of the pension benefits and the conditions under which benefits will be paid, and to continue to cover such employees of other Employers in or connected with the industry for whom contributions are paid, provided such coverage is in compliance with law and the Trust Agreement.

Employees unable to work and who are on disability benefits or workers' compensation shall continue to accrue pension benefits during the periods of disability up to six (6) months or the period of the disability whichever is sooner, without the necessity of payment by the Employer.

2. The Employer shall pay into the Fund the sum of \$49.75 per week for every regular employee as defined in the Building Service Pension Plan, as it may be amended, except as provided in Section 4 hereof.

3. Effective January 1, 2007, the Employer shall pay into the Fund the sum of \$58.75 per week for every regular employee.

4. If the Employer has in effect a pension and retirement plan which has been determined to provide benefits equivalent or superior to those provided under the Building Service 32B-J Pension Plan, it may continue such plan provided it continues to provide retirement benefits equivalent or superior to the benefits that are provided under the Building Service 32B-J Pension Plan during the term of this agreement, and it shall be relieved of any obligation to make payments into the Fund.

5. If the Employer has an existing plan as referred to above, it shall not discontinue or reduce benefits without prior Trustee approval

and shall remain obligated to the employee(s) for whatever benefits they may be entitled.

6. In no event shall the Trustees or any of them, the Union or the RAB, directly or indirectly, by reason of this agreement, be understood to consent to the extinguishment, change or diminution of any legal rights, vested or otherwise, that anyone may have in the continuation in existing form of any such Employer pension plan, and the Trustees or any of them, the Union and the RAB shall be held harmless by an Employer against any action brought by anyone covered under such Employer's plan asserting a claim based upon anything done pursuant to Section 5 of this Article. Notice of the pendency of any such action shall be given the Employer who may defend the action on behalf of the indemnitee.

C. TRAINING, SCHOLARSHIP AND SAFETY FUND

The Employer agrees to contribute to a Fund which will be administered as part of the Thomas Shortman Training, Scholarship and Safety Fund. The rate of contributions to the Thomas Shortman Fund shall be \$145.60 per year for each employee.

D. GROUP PREPAID LEGAL FUND

The Employer agrees to contribute \$223.60 per year per employee to the prepaid Legal Fund payable as the Trustees determine.

E. SUPPLEMENTAL RETIREMENT AND SAVINGS (SRSP) FUND

The Employer shall contribute \$10.00 per week per employee into the SRSP Fund.

The Employer shall contribute an additional \$10.00 per week to the SRSP for each employee upon the employee's completion of 25 years of service, provided, however, that if as a result of the 2008 Commercial Building Agreement such employees receive additional pension benefits for years of service in excess of 25, the obligation under this provision shall cease on the effective date of the commencement of such additional benefits.

F. PROVISIONS APPLICABLE TO ALL FUNDS

1. If the Employer fails to make required reports or payments to the Funds, the Trustees may in their sole and absolute discretion take any action necessary, including but not limited to immediate arbitration and suits at law, to enforce such reports and payments, together with interest and liquidated damages as provided in the Funds' trust agreements, and

any and all expenses of collection, including but not limited to counsel fees, arbitration costs, fees and court costs.

Any Employer regularly or consistently delinquent in Health, Pension, Training, Legal and SRSP Fund payments may be required, at the option of the Trustees of the Funds, to provide the appropriate Trust Fund with a security guaranteeing prompt payment of such payments.

2. The Trustees of the Funds shall make such amendments to the Trust Agreements, and shall adopt such regulations as may be required to conform to applicable law, and which shall in any case provide that employees whose work comes within the jurisdiction of the Union (which shall not be considered to include anyone in an important managerial position) may only be covered for benefits if the building in which they are employed has a collective bargaining agreement with the Union. Any dispute about the Union's jurisdiction shall be settled by the President of the Union and the RAB's President.

3. Employees shall have a waiting period of three months before becoming eligible to be participants in the Funds and no contribution shall be made on behalf of the employees over the three month period.

4. Effective as of January 1, 2008, any contributions and benefits required hereunder (except SRSP) shall be increased by any amount and in the same manner as contributions and benefits may be increased in the Commercial Building Agreement to succeed the presently effective 2005 Commercial Building Agreement, and if in said successor agreement service fees are required to be paid, the same fees shall be required to be paid hereunder; provided, however, (i) the aggregate increase in Employer contributions required to be paid to the Pension and the Health Funds effective anytime in 2008, shall not exceed \$26.00 per week per employee, Article X, Section A, Paragraph 4 notwithstanding, and; (ii) if the aggregate increase in Employer contributions required to be paid to the Pension and the Health Funds effective anytime in 2009 exceeds \$26.00 per week per employee, the RAB shall have the right, by written notice, to the Union on or before October 21, 2008, to terminate this Agreement effective as of April 20, 2009.

ARTICLE XI
Disability Benefits Law
Unemployment Insurance Law

1. The Employer shall cover its employees so that they shall receive maximum weekly

cash benefits provided under the New York State Disability Benefits Law on a non-contributory basis, and also under the New York State Unemployment Insurance Law, whether or not such coverages are mandatory.

2. Failure to so cover employees makes the Employer liable to an employee for all loss of benefits and insurance.

3. The Employer will cooperate with employees in processing their claims and shall supply all necessary forms, properly addressed, and shall post adequate notice of places for filing claims.

4. If the employee requests workers' compensation benefits from the Employer then no sick leave shall be paid to such employee unless the employee specifically requests in writing payment of such leave. If an employee requests disability benefits from the Employer then only five (5) days sick leave shall be paid to such employee (if the employee has that amount unused) unless the employee specifically requests in writing payment of additional available sick leave.

5. Any employee required to attend his/her Workers' Compensation hearing shall be paid for his/her regularly scheduled hours during such attendance.

6. Any cost incurred by the Union to enforce the provisions of this Article shall be borne by the Employer.

7. The Parties agree to establish a committee under the auspices of the Building Service 32B-J Health Fund to investigate and report on the feasibility of self-insuring disability and unemployment benefits.

ARTICLE XII Sickness Benefits

1. Any regular employee with at least one (1) year of service (as defined in Section 4 below) in the building or with the same Employer, shall receive in a calendar year from the Employer ten (10) paid sick days for bona fide illness.

Any employee entitled to sickness benefits shall be allowed five (5) single days of paid sick leave per year taken in single days. The remaining five (5) days of paid sick leave may be paid either for illnesses of more than one (1) day's duration or may be counted as unused sick leave days.

The employee shall receive the above sick pay whether or not such illness is covered by the New York State Disability Benefits Law or the New York State Workers' Compensation Act; however, there shall be no pyramiding or duplication of Disability Benefits and/or

Workers' Compensation Benefits with sick pay.

2. An employee absent from duty due to illness only on a scheduled workday immediately before and/or only on the scheduled workday immediately after a holiday shall not be eligible for sick pay for said absent workday or workdays.

3. Employees who have continued employment to the end of the calendar year and have not used all sickness benefits shall be paid in the succeeding January, one full day's pay for each unused sick day.

Any employee who has a perfect attendance record for the calendar year shall receive an attendance bonus of \$200.00 in addition to payment of the unused sick days.

For the purpose of this provision, perfect attendance shall mean that the employee has not used any sick days.

If an Employer fails to pay an employee before the end of February, then such Employer shall pay one additional day's pay unless the Employer challenges the entitlement or amount due.

4. For the purpose of this Article, one (1) year's employment shall be reached on the anniversary date of employment.

Employees who complete one (1) year of service after January 1, shall receive a pro rata share of sickness benefits for the balance of the calendar year.

A "regular" employee shall be defined as one who is a full or part time employee employed on a regular schedule. Those employed less than forty (40) hours a week on a regular basis shall receive a pro rata portion of sickness benefits provided herein computed on a forty (40) hour workweek.

5. All payments set forth in this Article are voluntarily assumed by the Employer, in consideration of concessions made by the Union with respect to various other provisions of this agreement, and any such payment shall be deemed to be a voluntary contribution or aid within the meaning of any applicable statutory provisions.

ARTICLE XIII

Building Acquisition by Public Authority

Where a building is acquired by a public authority of any nature through condemnation, purchase or otherwise, the last owner shall guarantee the payment of termination pay and of accrued vacations due to the employees up to the date of transfer of title. The Union will,

however, seek to have such authority assume the obligations for payments. If unsuccessful and the last owner becomes liable for such payments, the amounts thereof shall be liens upon any condemnation award or on any amount received by such last owner.

ARTICLE XIV Building Classifications

1. (a) Class A buildings are buildings where the assessed value of the land and building, based upon the 1935 assessment, divided by the number of rooms in the building, gives an assessed value of over \$4,000 a room;

(b) Class B buildings are buildings where the assessed value of the land and building, based upon the 1935 assessment, divided by the number of rooms in the building, gives an assessed value of over \$2,000 a room, and not over \$4,000 a room;

(c) Class C buildings are buildings where the assessed value of the land and building, based upon the 1935 assessment, divided by the number of rooms in the building, gives an assessed value of \$2,000 or less a room.

(d) All non-publicly financed buildings now or in the future owned cooperatively or in condominium shall be classified Class A and wages shall be paid accordingly.

2. In classifying buildings completed and opened for occupancy after the levying of the 1935 assessment, the first year of assessment shall control. Where a building is newly erected or remodeled and opened for occupancy after April 21, 1976, and where its proper classification as finally determined indicated that the employees had been paid wages lower than required under said classification, employees shall be paid retroactively all amounts they would have received under the proper classification.

3. In calculating the number of rooms, a room shall be considered to be a rentable room enclosed by four (4) walls, with a door and with a window facing a street, court, areaway or airshaft.

4. Bathrooms shall not be counted as rooms except in apartments of three rooms or less, where bathrooms shall be counted as halfrooms, but this provision shall not cause a revision of existing classifications.

5. Rooms occupied by the superintendent and servants, if above cellar or basement level, shall be included in the total number of rooms.

6. Where stores are on the ground floor, the number of rooms on that floor shall be considered to be the same number, less three, as on a typical floor.

7. When eighty (80) percent of a building's area and total number of units are changed to commercial and/or professional occupancy, it shall be considered a commercial building no longer covered under this agreement but shall be covered under the applicable Commercial Building Agreement.

**ARTICLE XV
Wages and Hours**

**A. BUILDING SERVICE EMPLOYEES
OTHER THAN WORKING
SUPERINTENDENTS**

1. (a) Effective October 21, 2006, each employee covered hereunder shall receive a wage increase of twenty-five cents (\$0.25) for each regular straight-time hour worked.

(b) Effective July 1, 2007, each employee covered hereunder shall receive a wage increase of twenty-five cents (\$0.25) for each regular straight-time hour worked.

(c) Effective January 1 2008, each employee covered hereunder shall receive a wage increase of twenty-five cents (\$0.25) for each regular straight-time hour worked.

(d) Effective July 1, 2008, each employee covered hereunder shall receive a wage increase of twenty-five cents (\$0.25) for each regular straight-time hour worked.

(e) Effective April 21, 2009, each employee covered hereunder shall receive a wage increase of twenty-six and one-quarter cents (\$0.2625) for each regular straight-time hour worked.

(f) Effective October 21, 2009, each employee covered hereunder shall receive a wage increase of twenty-six and one-quarter cents (\$0.2625) for each regular straight-time hour worked.

(g) Additionally, the minimum hourly rate differentials for handypersons including all employees doing similar or comparable work by whatever title known, shall be increased by five cents (5¢) effective October 21, 2006, two and one-half cents (2.5¢) effective July 1, 2007, two and one-half cents (2.5¢) effective January 1, 2008, five cents (5¢) effective July 1, 2008, two and one-half cents (2.5¢) effective April 21, 2009, two and one-half cents (2.5¢) effective October 21, 2009, for each regular straight-time hour worked, and each such employee shall receive a wage increase in an amount necessary to bring them up to the new contract minima.

(h) Effective April 21, 2007, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical

Workers] from February 2006 to February 2007, exceeds 6.5% then, in that event, an increase of \$.10 per hour for each full 1% increase in the cost of living in excess of 6.5% shall be granted effective for the first full workweek commencing after April 21, 2007. In no event shall said increase pursuant to this provision exceed \$.20 per hour. In computing increases in the cost of living above 6.5%, less than .5% shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minima.

(i) Effective April 21, 2008, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from February 2007 to February 2008, exceeds 6% then, in that event, an increase of \$.10 per hour for each full 1% increase in the cost of living in excess of 6% shall be granted effective for the first full workweek commencing after April 21, 2008. In no event shall said increase pursuant to this provision exceed \$.20 per hour. In computing increases in the cost of living above 6%, less than .5% shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minima.